TESTIMONY OF SIDNEY H. (SKIP) BLISS

PRESIDENT AND CHIEF EXECUTIVE OFFICER, BLISS COMMUNICATIONS, INC.

Before the

TELECOMMUNICATIONS AND THE INTERNET SUBCOMMITTEE, HOUSE OF REPRESENTATIVES COMMITTEE ON ENERGY AND COMMERCE

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Good morning, my name is Skip Bliss, and I am President and CEO of Bliss Communications, Inc. in Janesville, Wisconsin.

I am happy to be here today to offer you a real-life story of how owning and operating a newspaper-radio combination in a small town can mean better service to the public.

I live and work in Janesville, Wisconsin -- a growing community of 70,000 people located in Southern Wisconsin.

The Janesville Gazette founded in 1845 is Wisconsin's oldest daily newspaper publishing 7 days a week, and since 1883 it has been under the continuous ownership and operation of 5 generations of my family. Over the course of those 162 years of operation, the Gazette has covered the news and events of our community like no other source of that information and the people here have come to rely on the newspaper for its accuracy and credibility. They continue to rely on the Gazette today, although they now have many more choices to receive their news and information.

Before there was a Federal Communications Commission, the government turned to newspaper publishers during the great depression and asked the industry to get radio off the ground, because they knew more about how to gather information and disseminate it better than anyone. My father purchased the license for WCLO-AM, and the station went on the air August 1, 1930 – four years before Congress passed the Communications Act of 1934 which regulates us today. The programming then was locally produced and included large segments of local news gathered by a team of local news reporters who aggressively competed with the newsroom of the daily newspaper which was located in the very same building. Over time, as the medium grew, local groups of all kinds appeared at the station and on WCLO-AM. Radio became the people's source for timely information on breaking news, community events, sports, and emergency weather. Eventually a new medium emerged which offered a higher quality listening experience and my father acquired an FM license and on October 10, 1947 WJVL-FM went on the air. Although this new technology lent itself best to a music-oriented format, we continued to inform the audience of important news with on the hour and half hour news updates. The Gazette and these stations have been owned and operated together since we went on the air, and our newspaper-radio combination was not made subject to the newspaper-broadcast cross-ownership ban that went into effect in 1975.

Our 77-year commitment to quality, independent community based broadcast journalism continues today on both of these legacy radio stations. In fact, the newsroom staffing at the stations over the past several years is at an all time

high. Janesville is a progressive community with a tremendous school system, great parks, a growing industrial base, and a newspaper/broadcast franchise that has served the city well all these years. By any standard, we have met and exceeded our obligation to provide top quality news and information, and our reputation in the eyes of our readers and listeners as well as our peers are above reproach.

Both the newspaper and radio stations are frequent award winners on a state and national level and the newspaper is currently best in its class in Wisconsin. In every sense we have acted responsibly and our public file at WCLO/WJVL reflects this. Community leaders from all walks of life seek us out so that we can better understand their issues. As a result, we take proactive positions and help push quality initiatives forward. WCLO-AM is an all local news, weather, and sports talk radio station with a combination of CNN/Local newscasts on the hour and local news on the half hour. Monday thru Friday our morning local talk show brings in community leaders and elected officials to discuss issues of importance to the listeners. Each election cycle we produce local debates in cooperation with the newspaper and the local University of Wisconsin campus. Last night, in conjunction with the local performing arts groups we recreated a live radio broadcast of "Twas The Night Before Christmas."

However, since our founding the information business has undergone enormous change. Where we were once the sole provider of news locally, today there is a wide array of outlets for people to get their news. Television, internet, cable,

satellite, and telephone communications all compete with us everyday for our audience and often for the advertising revenue that supports the newspaper and the radio stations. This intense level of competition is creating tremendous challenges for our industries, and it is critical that we have the ability to acquire and operate new businesses that will ensure our economic future.

Under the current cross/ownership ban - as a newspaper publisher - I am the only businessman who is prohibited from pursuing local broadcast business opportunities while national companies – with no local ties to the community - are free do so. This makes it much harder for our company to stay competitive, and do what we do best, providing our community with local news and information. I find this ironic in that, in the beginning, the government sought out publishers to put radio and television in business and today we are the only people that are deemed unfit to operate these franchises where we have a newspaper. There is another FM station in the Janesville market that offers no local news programming which has been sold 4 times in the last 15 years and if we were allowed to acquire it we would extend our full compliment of newscasts. We also operate daily newspapers in 3 other communities and in one of them, Marinette Wisconsin, the local radio stations just were sold a year ago and again we were prohibited from acquiring them and enhancing the quality of their local news programming.

The newspaper industry is one of America's great institutions as the principal defender of the First Amendment and yet it is changing dramatically as we

speak. If we are to do our job and be economically viable we must not be forced to operate with one hand tied behind our back while our competitors are allowed to prosper. The Newspaper/Broadcast Cross Ownership Ban is antiquated and outdated rule, and in the interest of economic fairness it should be eliminated.